Governor Doug Ducey Releases FY 2017 Executive Budget

Plan Pumps An Additional \$106 Million In K-12, Makes Critical Investments In Child And Public Safety, Promotes Fiscal Responsibility

PHOENIX – Governor Doug Ducey today released his proposed executive budget for fiscal year 2017: a balanced, values-based and fiscally-responsible spending plan that makes critical investments, including an additional \$106 million in public K-12 education; brings Arizona to a positive structural balance for the first time since 2007; and protects taxpayers by rejecting calls for a tax increase.

The governor's budget prioritizes vital commitments such as K-12 education, child safety and public safety while promoting fiscal responsibility, protecting our most vulnerable and finding cost-savings for Arizona taxpayers.

"Just like last year, this budget is structurally-balanced, it's values-based and it solves problems," said Governor Ducey. "We have a moral and legal obligation to pass a balanced budget and, just as importantly, we have a responsibility to protect our most vital commitments and vulnerable citizens. This budget brings us to structural balance by the end of fiscal 2017 while making critical investments in K-12 education, child safety and public safety — all without raising taxes."

Highlights of Governor Ducey's Balanced Budget Plan:

- **Eliminates the structural deficit** and brings Arizona to a \$173 million positive structural balance by the end of FY 2017.
- Includes **\$106** million in additional money for K-12 education. That's <u>on top of</u> the **\$224** million supplemental added with the **\$3.5** billion funding package approved last year in special session.
- Makes significant new investments in our universities, with an additional \$4 million in FY 2016 and \$14 million in ongoing spending in FY 2017.
- **Includes a \$134 million increase in funding for child safety**, with \$87 million over the next two fiscal years to fully fund children in state care.
- Allocates an **additional \$31.5 million to expand the border strike force** and crack down on illegal drug trafficking and cartels in Southern Arizona.
- Directs **\$1.6** million to open a **100-bed community corrections center** in Maricopa County, offering intensive drug treatment with housing and transitional services to reduce recidivism and reverse the growth of our prison population.

"I am pleased to once again hear the governor's commitment to a structurally-balanced budget, while we also meet the pressing needs of our state," said Senate President Andy Biggs. "This session we will work responsibly to spend within our means and make choices that will grow the economy and enhance opportunity for Arizonans."

"I am committed to keeping this state out of the red and on a fiscally stable path," said House Speaker David Gowan. "Just like last session, we will work hard for the taxpayers of Arizona to keep taxes low, and keep opportunity at an all-time high. I look forward to working with Governor Ducey, President Biggs and the legislature to get this done."

The budget can be viewed in its entirety at azgovernor.gov/budget.